

Butte County Economic Forecast

The county has a diverse economic base that includes agriculture, government, and retail trade. Services, however, is the largest industry in the county with 30 percent of the total wage and salary employment. Within the services industry, job growth since 1999 has been concentrated in the healthcare and personal services sectors.

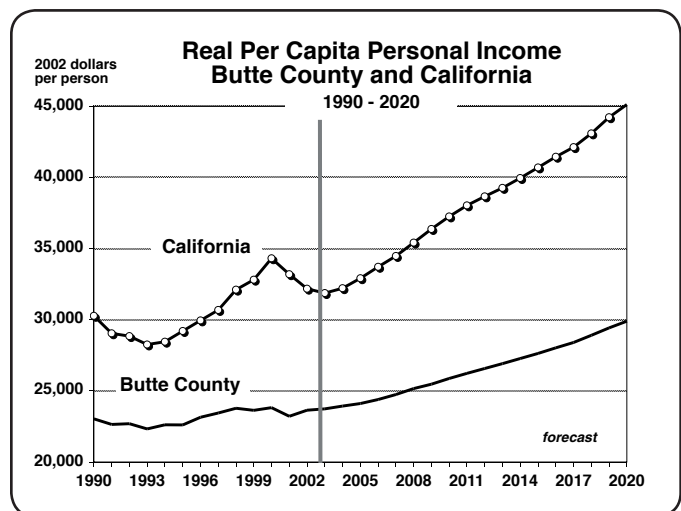
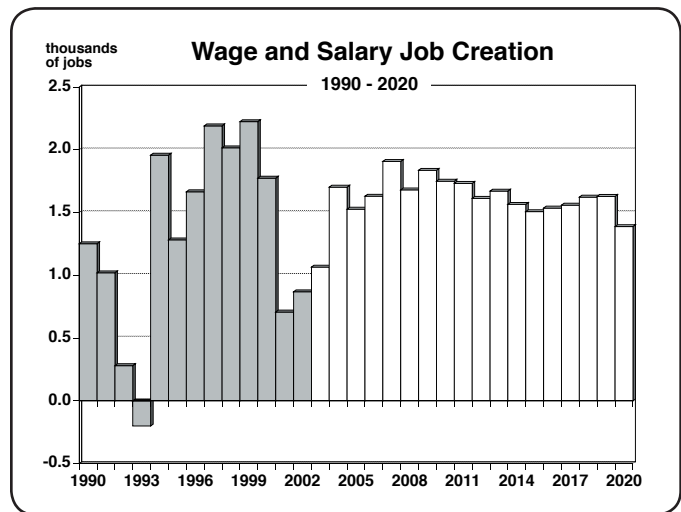
Butte's agriculture industry is a vital factor in the county's economic success. The county has ideal conditions for agricultural production, supporting a variety of crops including rice, almonds, walnuts, prunes, peaches, and kiwi fruit. Farm and farm-related services in Butte County produced a gross value of \$306 million in 2002.

The presence of California State University, Chico and Butte Community College are valuable assets to the county's workforce preparation efforts. A municipal airport in Chico, and two railroad lines provide both freight and passenger transportation services.

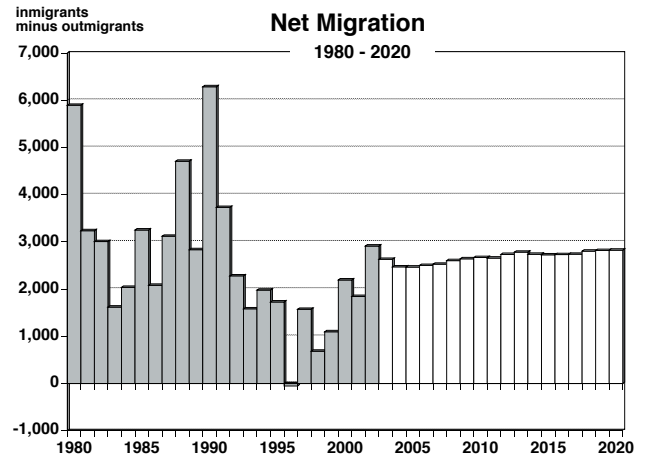
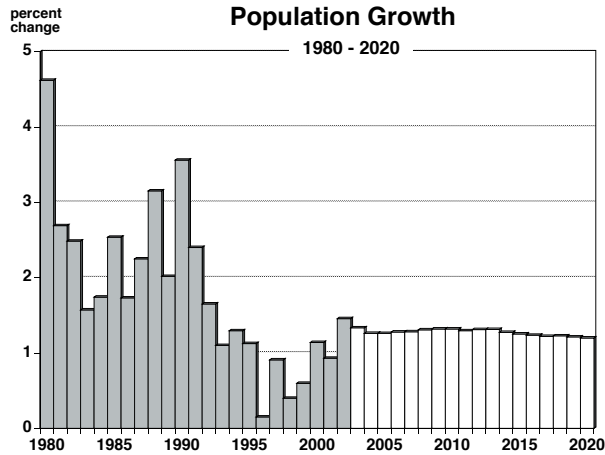
The population of Butte County was estimated at 210,400 in January 2003. The largest city is Chico with 68,600 people. Chico is also the fastest growing municipality, rising 2.5 percent between 2001 and 2002.

Forecast Highlights

- Job growth averages 2.1 percent per year over the next 5 years. The forecast rate of growth is a continuation of the growth that has generally prevailed in the county since 1997. Between 2010 and 2020, job growth is forecast to average 1.6 percent per year.
- The unemployment rate falls to 8.4 percent in 2004, and declines steadily thereafter.
- The services sector remains the growth engine of jobs in Butte County. Employment growth in services averages 2.7 percent per year over the next 5 years, compared to 2.5 percent growth between 1997 and 2002.
- Population growth increases, due principally to the availability of housing and the affordability of housing in the region. Compound annual growth in the 2003 to 2008 period climbs to 1.3 percent per year, from 0.9 percent between 1997 and 2002. The population growth increase is principally led by in-migration. However, the number of births increases significantly in the county as the 20 to 29 age population increases more than 30 percent over the next 15 years.



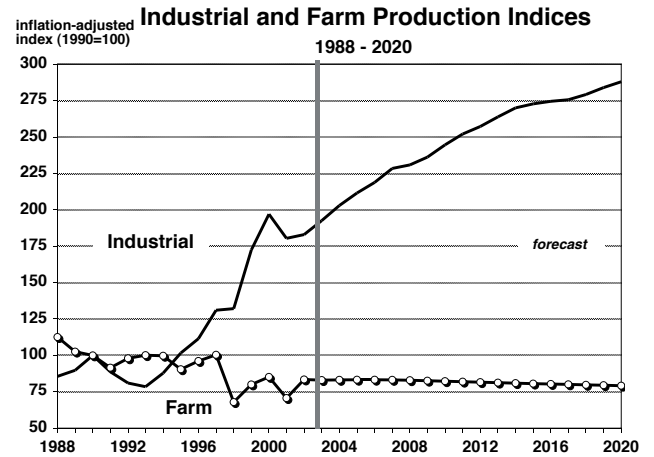
- Real per capita income is forecast to rise at an annual compound rate of growth of 1.2 percent over the next 5 years. Between 1997 and 2002, real per capita personal income increased a scant 0.2 percent per year. Employment gains together with higher average salaries produce greater inflation-adjusted wealth per person over the forecast.
- Median home values, adjusted for inflation, rise at an annual compound rate of 2.1 percent per year between 2003 and 2008. The appreciation rate of housing over the forecast period is less than the 5.5 percent average per year that occurred between 1997 and 2002.



Butte County Economic Forecast

1995-2002 History, 2003-2020 Forecast

	July Population (people)	Net Migration (people)	Registered Vehicles (thousands)	Households (thousands)	New Homes Permitted (homes)	Retail Sales (billions)	Personal Income (billions)	Real Per Capita Income (dollars)	Farm Crop Value (millions)	Industrial Production (billions)
1995	197,500	1,728	183	78.7	656	\$1.2	\$3.6	\$22,603	\$265	\$1.5
1996	197,800	-51	184	79.4	592	\$1.2	\$3.7	\$23,142	\$288	\$1.7
1997	199,600	1,572	175	80.1	591	\$1.2	\$4.0	\$23,443	\$311	\$1.9
1998	200,400	684	184	80.7	910	\$1.3	\$4.2	\$23,780	\$217	\$2.0
1999	201,600	1,096	190	81.6	960	\$1.4	\$4.3	\$23,632	\$266	\$2.6
2000	203,900	2,194	197	79.4	1,078	\$1.5	\$4.6	\$23,823	\$296	\$2.9
2001	205,800	1,843	206	80.3	1,044	\$1.6	\$4.8	\$23,214	\$259	\$2.7
2002	208,800	2,913	212	81.4	1,147	\$1.7	\$5.1	\$23,643	\$311	\$2.7
2003	211,588	2,630	215	82.5	1,085	\$1.7	\$5.2	\$23,737	\$317	\$2.9
2004	214,258	2,470	218	83.6	1,087	\$1.8	\$5.5	\$23,928	\$326	\$3.0
2005	216,960	2,466	221	84.7	1,102	\$1.9	\$5.8	\$24,108	\$336	\$3.1
2006	219,736	2,502	223	85.8	1,113	\$2.0	\$6.1	\$24,396	\$345	\$3.3
2007	222,555	2,528	226	86.9	1,146	\$2.0	\$6.4	\$24,741	\$353	\$3.4
2008	225,468	2,604	228	88.0	1,161	\$2.1	\$6.8	\$25,165	\$362	\$3.4
2009	228,445	2,643	230	89.2	1,171	\$2.2	\$7.1	\$25,474	\$370	\$3.5
2010	231,460	2,669	232	90.3	1,166	\$2.3	\$7.5	\$25,872	\$378	\$3.6
2011	234,460	2,658	234	91.5	1,199	\$2.4	\$7.9	\$26,231	\$388	\$3.7
2012	237,537	2,735	236	92.7	1,217	\$2.5	\$8.4	\$26,575	\$397	\$3.8
2013	240,657	2,783	238	93.9	1,196	\$2.6	\$8.9	\$26,912	\$407	\$3.9
2014	243,726	2,737	240	95.1	1,191	\$2.7	\$9.3	\$27,271	\$417	\$4.0
2015	246,782	2,726	242	96.2	1,193	\$2.8	\$9.8	\$27,632	\$427	\$4.1
2016	249,834	2,731	243	97.4	1,196	\$2.9	\$10.4	\$28,025	\$437	\$4.1
2017	252,885	2,739	245	98.6	1,224	\$3.0	\$11.0	\$28,400	\$448	\$4.1
2018	255,992	2,805	245	99.8	1,228	\$3.2	\$11.6	\$28,903	\$459	\$4.2
2019	259,100	2,818	246	101.0	1,230	\$3.3	\$12.3	\$29,429	\$470	\$4.2
2020	262,210	2,825	246	102.3	1,235	\$3.4	\$13.0	\$29,902	\$481	\$4.3

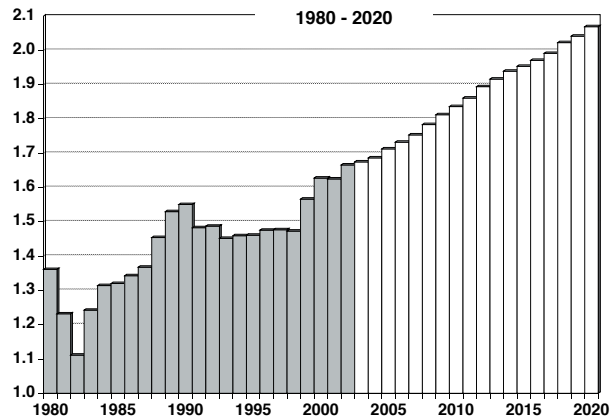


Total Wage & Salary (000)	Farm (000)	Mining & Construction (000)	Manufacturing (000)	Transportation, Utilities (000)	Wholesale, Retail Trade (000)	Finance, Real Estate (000)	Services (000)	Government (000)
-----employment (jobs)-----								
65.1	2.9	2.8	5.4	2.6	15.7	3.3	18.7	13.6
66.7	3.0	3.0	5.0	2.5	16.2	3.3	19.5	14.0
68.9	3.1	3.3	5.6	2.7	16.3	3.4	20.3	14.0
70.9	3.0	3.5	5.8	2.9	16.5	3.5	20.9	14.7
73.2	3.1	4.0	5.7	2.9	16.6	3.9	21.8	15.1
74.9	3.0	4.3	5.7	2.8	16.9	4.1	21.6	16.3
75.7	2.8	4.3	5.1	2.1	17.6	4.4	22.4	16.6
76.5	2.5	4.6	4.5	2.2	18.0	4.7	23.0	16.8
77.6	2.6	4.8	4.5	2.3	18.2	4.8	23.7	16.5
79.3	2.7	4.9	4.8	2.4	18.6	4.9	24.4	16.5
80.8	2.7	5.0	4.9	2.5	19.0	5.0	25.1	16.5
82.4	2.7	5.0	4.9	2.5	19.5	5.2	25.8	16.6
84.4	2.7	5.1	5.0	2.5	20.0	5.5	26.4	16.9
86.0	2.8	5.1	5.0	2.5	20.5	5.7	27.1	17.1
87.9	2.8	5.1	5.0	2.5	21.0	5.9	27.7	17.5
89.6	2.8	5.2	5.1	2.5	21.6	6.2	28.4	17.8
91.4	2.8	5.2	5.1	2.5	22.0	6.4	29.0	18.1
93.0	2.8	5.2	5.2	2.5	22.4	6.7	29.6	18.4
94.6	2.7	5.2	5.2	2.5	22.8	6.9	30.2	18.8
96.2	2.7	5.3	5.3	2.5	23.2	7.1	30.7	19.2
97.7	2.7	5.3	5.3	2.5	23.6	7.3	31.3	19.6
99.3	2.7	5.2	5.3	2.5	23.9	7.5	31.8	20.0
100.8	2.7	5.2	5.4	2.5	24.2	7.8	32.3	20.5
102.4	2.7	5.2	5.4	2.5	24.5	8.0	32.8	21.0
104.1	2.7	5.2	5.5	2.5	24.8	8.3	33.3	21.5
105.5	2.7	5.1	5.5	2.5	25.1	8.6	33.7	21.9

billions of
2002 dollars

Real Taxable Retail Sales

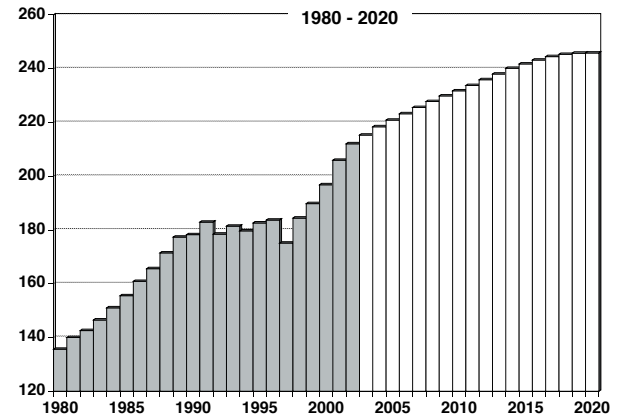
1980 - 2020



thousands of
vehicles

Total Registered Vehicles

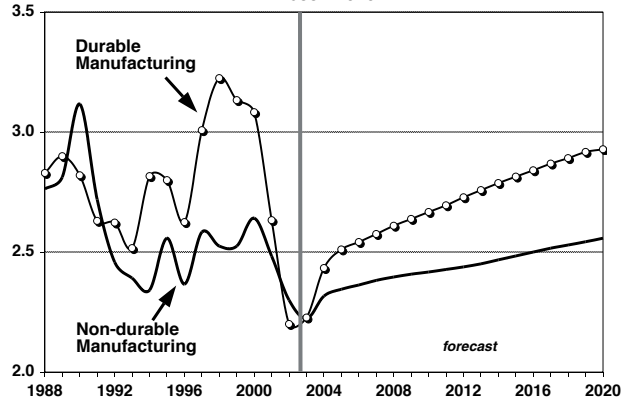
1980 - 2020



thousands of
jobs

Employment in Manufacturing

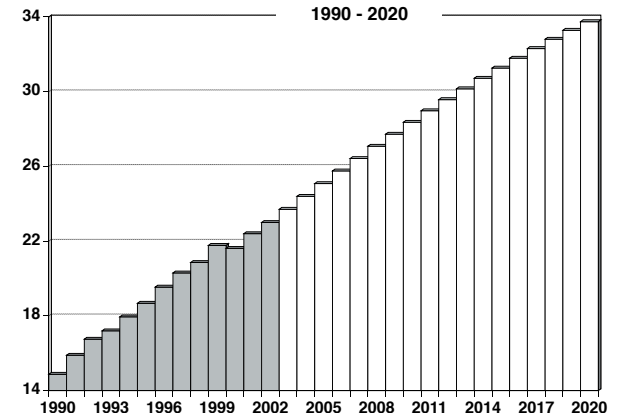
1988 - 2020



thousands of
jobs

Employment in Services

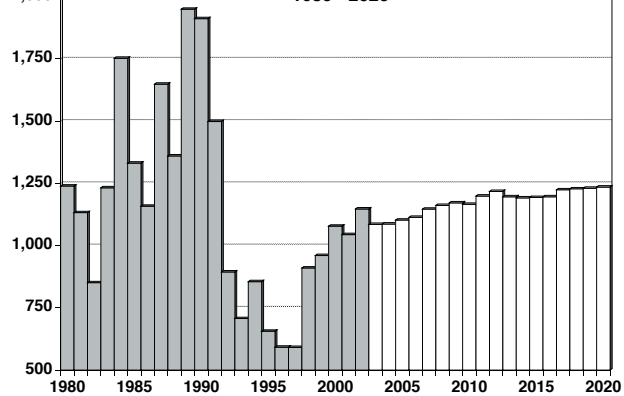
1990 - 2020



units
permitted

New Residential Units

1980 - 2020



2002 dollars
per worker

Real Earnings per Worker Butte County and California

1990 - 2020

